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FINAL TERMS

FOSSE MASTER ISSUER PLC

(incorporated with limited liability in England and Wales with registered number 5925693)

Residential Mortgage Backed Note Programme

Issue of Series 2015-1 Notes

<u>Class</u>	<u>Interest rate</u>	<u>Initial principal amount</u>	<u>Issue price</u>	<u>Scheduled redemption dates</u>	<u>Final maturity date</u>
Class A1	One-month USD LIBOR + 0.18% Floating Rate	\$500,000,000	100%	October 2015 and January 2016	January 2016
Class A2	Three-month USD LIBOR + 0.30% Floating Rate	\$300,000,000	100%	July 2016 to July 2017	October 2054
Class A3	Three-month Sterling LIBOR + 0.32% Floating Rate	£500,000,000	100%	April 2017 to April 2018	October 2054

Terms used herein shall be deemed to be defined as such in accordance with the conditions set forth in the prospectus dated 9 October 2014 (the **base prospectus**) which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the final terms (the **final terms**) of the notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the base prospectus. Full information on the issuer and the offer of the notes is only available on the basis of the combination of these final terms and the base prospectus. The base prospectus and these final terms are available for viewing at 35 Great St. Helen's, London EC3A 6AP and copies may be obtained from the registered office of the issuer at 35 Great St. Helen's, London EC3A 6AP. A copy may also be obtained from the website of the Irish Stock Exchange.

The series 2015-1 notes have not been and will not be registered under the Securities Act or the state securities laws of any state of the United States and the series 2015-1 notes may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as defined in Regulation S) except to persons that are QIBs within the meaning of Rule 144A, or in transactions that occur outside the United States to persons other than US persons in accordance with Regulation S or in other transactions exempt from registration under the Securities Act and, in each case, in compliance with applicable securities laws.

ARRANGER FOR THE ISSUE

BARCLAYS

DEALERS AND MANAGERS

BANK OF AMERICA MERRILL LYNCH

BARCLAYS

DEUTSCHE BANK

SANTANDER

dated 23 March 2015

		Class A1	Class A2	Class A3
1.	Class:	Class A1	Class A2	Class A3
2.	Series Number:	2015-1	2015-1	2015-1
3.	Issuer:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
4.	Specified Currency or Currencies:	USD	USD	GBP
5.	Initial Principal Amount:	\$500,000,000	\$300,000,000	£500,000,000
6.	(a) Issue Price:	100% of the Initial Principal Amount	100% of the Initial Principal Amount	100% of the Initial Principal Amount
	(b) Net proceeds:	\$500,000,000	\$300,000,000	£500,000,000
7.	Required Subordinated Percentage:	9.25%	9.25%	9.25%
8.	(a) General Reserve Required Amount:	Prior to the repayment in full of the Series 2015-1 Class A1 Notes, at least £180,000,000, and thereafter at least £100,000,000		
	(b) Arrears or Step-up Trigger Event:			
	• item (i) of General Reserve Fund increased amount:	Prior to the repayment in full of the Series 2015-1 Class A1 Notes, at least £45,000,000, and thereafter at least £25,000,000		
	• item (ii) of General Reserve Fund increased amount:	Prior to the repayment in full of the Series 2015-1 Class A1 Notes, at least £45,000,000, and thereafter at least £25,000,000		
	• items (i) and (ii) of General Reserve Fund increased amount:	Prior to the repayment in full of the Series 2015-1 Class A1 Notes, at least £90,000,000, and thereafter at least £50,000,000		
9.	Interest-only mortgage level test:	"C" for these purposes is 48%	"C" for these purposes is 48%	"C" for these purposes is 48%
10.	Ratings (Standard & Poor's Ratings Services, a division of Standard & Poor's Credit Market Services Europe Limited (Standard & Poor's), Moody's Investors Service Limited (Moody's) and Fitch Ratings Ltd. (Fitch)):	A-1+ (sf) / P-1(sf) / F1+sf Fitch Ratings Ltd. is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). Moody's Investors Service Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). Standard & Poor's Credit Market Services Europe Limited is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). Standard & Poor's Credit Market Services Europe Limited operates under its trading name Standard & Poor's Ratings Services.	AAA (sf) / Aaa(sf) / AAAsf	AAA (sf) / Aaa(sf) / AAAsf
11.	Specified Denominations:	\$200,000 and integral multiples of \$1,000 in excess thereof	\$200,000 and integral multiples of \$1,000 in excess thereof	£100,000 and integral multiples of £1,000 in excess thereof
12.	(a) Closing Date/Issue Date:	24 March 2015	24 March 2015	24 March 2015
	(b) Interest Commencement Date:	24 March 2015	24 March 2015	24 March 2015

		Class A1	Class A2	Class A3
13.	Final Maturity Date:	Interest Payment Date occurring in January 2016	Interest Payment Date occurring in October 2054	Interest Payment Date occurring in October 2054
14.	Interest Basis:	One-Month USD LIBOR Floating Rate	Three-Month USD LIBOR Floating Rate	Three-Month Sterling LIBOR Floating Rate
15.	Redemption/Payment Basis:	Scheduled Redemption	Scheduled Redemption	Scheduled Redemption
16.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable	Following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR Floating Rate	Following the occurrence of a Pass-Through Trigger Event, One-Month Sterling LIBOR Floating Rate
17.	(a) Listing:	Irish Stock Exchange's Main Securities Market	Irish Stock Exchange's Main Securities Market	Irish Stock Exchange's Main Securities Market
	(b) Estimate of total expenses related to admission to trading:		€1,000	
18.	Method of distribution:	Syndicated	Syndicated	Syndicated
19.	Placement disclosure for PCS purposes only:	Applicable – Public	Applicable – Public	Applicable – Public
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE				
20.	Fixed Rate Note Provisions:	Not Applicable	Not Applicable	Not Applicable
21.	Floating Rate Note Provisions:	Applicable	Applicable	Applicable
	(a) Specified Period(s)/Specified Interest Payment Dates:	The 18th of each calendar month in each year up to and including the Final Maturity Date, commencing on 18 April 2015	The 18th of January, April, July and October in each year or, following the occurrence of a Pass-Through Trigger Event, the 18th of each calendar month in each year up to and including the Final Maturity Date, commencing on 18 April 2015	The 18th of January, April, July and October in each year or, following the occurrence of a Pass-Through Trigger Event, the 18th of each calendar month in each year up to and including the Final Maturity Date, commencing on 18 April 2015
	(b) Business Day Convention:	Following Business Day Convention	Following Business Day Convention	Following Business Day Convention
	(c) Additional Business Centre(s):	None – London, New York and TARGET in accordance with the Conditions	None – London, New York and TARGET in accordance with the Conditions	None – London, New York and TARGET in accordance with the Conditions
	(d) Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination	Screen Rate Determination	Screen Rate Determination

		Class A1	Class A2	Class A3
(e)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent Bank):	Not Applicable	Not Applicable	Not Applicable
(f)	Screen Rate Determination:	Applicable	Applicable	Applicable
	• Reference Rate:	One-Month USD LIBOR or, in respect of the first interest period, the linear interpolation of One-Week and One-Month USD LIBOR	Three-Month USD LIBOR or, in respect of the first interest period, the linear interpolation of One-Week and One-Month USD LIBOR or, from the Interest Payment Date following the occurrence of a Pass-Through Trigger Event, One-Month USD LIBOR	Three-Month Sterling LIBOR or, in respect of the first interest period, the linear interpolation of One-Week and One-Month Sterling LIBOR or, from the Interest Payment Date following the occurrence of a Pass-Through Trigger Event, One-Month Sterling LIBOR
	• Interest Determination Date(s):	Two London Business Days prior to the start of each Floating Interest Period	Two London Business Days prior to the start of each Floating Interest Period	First Business Day of each Floating Interest Period
	• Relevant Screen Page:	Reuters Screen Page LIBOR01	Reuters Screen Page LIBOR01	Reuters Screen Page LIBOR01
(g)	ISDA Determination:	Not Applicable	Not Applicable	Not Applicable
(h)	Margin(s):	+ 0.18% per annum	+ 0.30% per annum	+ 0.32% per annum
(i)	Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
(j)	Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
(k)	Step-Up Date	Not Applicable	The Interest Payment Date occurring in July 2017 on which date the Margin shall be replaced with the Step-Up Margin	The Interest Payment Date occurring in April 2018 on which date the Margin shall be replaced with the Step-Up Margin
	• Step-Up Margin(s):	Not Applicable	+ 0.60% per annum	+ 0.64% per annum
	• Step-Up Minimum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
	• Step-Up Maximum Rate of Interest:	Not Applicable	Not Applicable	Not Applicable
(l)	Day Count Fraction:	Actual/360	Actual/360	Actual/365
22.	Zero Coupon Note Provisions	Not Applicable	Not Applicable	Not Applicable
PROVISIONS RELATING TO REDEMPTION				
23.	Details relating to Bullet Redemption Notes:	Not Applicable	Not Applicable	Not Applicable

		Class A1	Class A2	Class A3
24.	Details relating to Scheduled Redemption Notes:	Applicable	Applicable	Applicable
	(a) Scheduled Redemption Dates:	Interest Payment Dates occurring in October 2015 and January 2016	Interest Payment Dates occurring in July 2016, October 2016, January 2017, April 2017 and July 2017	Interest Payment Dates occurring in April 2017, July 2017, October 2017, January 2018 and April 2018
	(b) Scheduled Amortisation Instalments:	October 2015: \$250,000,000.00 January 2016: \$250,000,000.00	July 2016: \$44,580,840.25 October 2016: \$43,117,171.47 January 2017: \$41,701,557.56 April 2017 \$40,332,420.78 July 2017: \$130,268,009.94	April 2017: £26,217,122.19 July 2017: £25,356,367.15 October 2017: £24,523,872.23 January 2018: £23,718,709.61 April 2018: £400,183,928.82
25.	Details relating to Pass-Through Notes:	Not Applicable	Not Applicable	Not Applicable
26(a).	Redemption Amount:	Condition 5.7 applicable	Condition 5.7 applicable	Condition 5.7 applicable
26(b).	Optional Redemption:	Not Applicable	Not Applicable	Not Applicable
26(c).	Optional Redemption Date:	Not Applicable	Not Applicable	Not Applicable
GENERAL PROVISIONS APPLICABLE TO THE NOTES				
27.	(a) New Safekeeping Structure:	Applicable	Applicable	Applicable
	(b) Form of Notes:	Rule 144A Global Note registered in the name of a nominee for The Depository Trust Company Reg S Global Note registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg	Rule 144A Global Note registered in the name of a nominee for The Depository Trust Company Reg S Global Note registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg	Rule 144A Global Note registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg Reg S Global Note registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg
28.	Issuer Swap Provider(s):	Abbey National Treasury Services plc	Abbey National Treasury Services plc	Not Applicable
29.	Specified currency exchange rate:	£1.00/\$1.4745	£1.00/\$1.4745	Not Applicable
30.	Redenomination applicable:	Not Applicable	Not Applicable	Not Applicable

		Class A1	Class A2	Class A3
31.	ERISA eligibility:	Yes, subject to the considerations in “ <i>ERISA considerations</i> ” in the base prospectus	Yes, subject to the considerations in “ <i>ERISA considerations</i> ” in the base prospectus	Yes, subject to the considerations in “ <i>ERISA considerations</i> ” in the base prospectus
32.	U.S. Taxation:	Debt for United States federal income tax purposes, subject to the considerations contained in “ <i>United States federal income taxation</i> ” in the base prospectus	Debt for United States federal income tax purposes, subject to the considerations contained in “ <i>United States federal income taxation</i> ” in the base prospectus	Debt for United States federal income tax purposes, subject to the considerations contained in “ <i>United States federal income taxation</i> ” in the base prospectus
33.	Money Market Notes (2a-7):	Yes	No	No
34.	Do the notes have the benefit of remarketing arrangements:	No	No	No
OPERATIONAL INFORMATION				
35.	Any clearing system(s) other than DTC, Euroclear, or Clearstream, Luxembourg and the relevant identification numbers:	Not Applicable	Not Applicable	Not Applicable
36.	Delivery:	Delivery against payment	Delivery against payment	Delivery against payment
37.	Names and addresses of additional Paying Agent(s) (if any):	Not Applicable	Not Applicable	Not Applicable
38.	ISIN Code:	Rule 144A: US34988WAY03 Reg S: XS1207302230	Rule 144A: US34988WAZ77 Reg S: XS1207302826	Rule 144A: XS1207303717 Reg S: XS1207307205
39.	Common Code:	Rule 144A: 120730924 Reg S: 120730223	Rule 144A: 120730983 Reg S: 120730282	Rule 144A: 120730371 Reg S: 120730720
40.	CUSIP:	34988WAY0	34988WAZ7	Not Applicable
LOAN TRANCHE INFORMATION				
41.	Borrower:	Fosse Funding (No.1) Limited	Fosse Funding (No.1) Limited	Fosse Funding (No.1) Limited
42.	Lender:	Fosse Master Issuer plc	Fosse Master Issuer plc	Fosse Master Issuer plc
43.	Tier of Loan Tranche:	AAA Loan Tranche	AAA Loan Tranche	AAA Loan Tranche
44.	Series Number:	Series 2015-1	Series 2015-1	Series 2015-1
45.	Designation of Loan Tranche:	Scheduled Amortisation Loan Tranche	Scheduled Amortisation Loan Tranche	Scheduled Amortisation Loan Tranche
46.	Change of Redemption/Payment Basis:	Not Applicable	Not Applicable	Not Applicable
47.	Initial Principal Amount:	£339,097,999.32	£203,458,799.59	£500,000,000.00

		Class A1	Class A2	Class A3
(a)	Closing Date:	24 March 2015	24 March 2015	24 March 2015
(b)	Loan Tranche Interest Commencement Date:	24 March 2015	24 March 2015	24 March 2015
(c)	Loan Tranche Interest Reset Dates:	The Funding 1 Interest Payment Date occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2015 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Date occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2015 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date	The Funding 1 Interest Payment Date occurring quarterly commencing with the Funding 1 Interest Payment Date occurring in April 2015 provided no Pass-Through Trigger Event has occurred and thereafter each Funding 1 Interest Payment Date
48.	Funding 1 Interest Payment Dates:	The 18th of January, April, July and October in each year (or, if such day is not a Business Day, the next succeeding Business Day) or, following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year up to and including the Final Maturity Date, commencing on 18 April 2015	The 18th of January, April, July and October in each year (or, if such day is not a Business Day, the next succeeding Business Day) or, following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year up to and including the Final Maturity Date, commencing on 18 April 2015	The 18th of January, April, July and October in each year (or, if such day is not a Business Day, the next succeeding Business Day) or, following the occurrence of a Pass-Through Trigger Event, the 18th of each month in each year up to and including the Final Maturity Date, commencing on 18 April 2015
49.	Initial Loan Tranche Margin per annum:	+ 0.06%	+ 0.255%	+ 0.32%
50.	Step-Up Date (if any):	Not Applicable	The Funding 1 Interest Payment Date occurring in July 2017 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum	The Funding 1 Interest Payment Date occurring in April 2018 on which date the initial interest rate per annum shall be replaced with the stepped-up interest rate per annum
51.	Stepped-up interest rate per annum:	Not Applicable	+ 0.51%	+ 0.64%
52.	Details relating to Bullet Loan Tranches:	Not Applicable	Not Applicable	Not Applicable
53.	Details relating to Scheduled Amortisation Loan Tranches:	Applicable	Applicable	Applicable

		Class A1	Class A2	Class A3
(a)	Scheduled Repayment Dates:	Funding 1 Interest Payment Dates occurring in October 2015 and January 2016	Funding 1 Interest Payment Dates occurring in July 2016, October 2016, January 2017, April 2017 and July 2017	Funding 1 Interest Payment Dates occurring in April 2017, July 2017, October 2017, January 2018 and April 2018
(b)	Repayment Amounts:	October 2015: £169,548,999.66 January 2016: £169,548,999.66	July 2016: £30,234,547.47 October 2016: £29,241,893.17 January 2017: £28,281,829.47 April 2017 £27,353,286.39 July 2017: £88,347,243.09	April 2017: £26,217,122.19 July 2017: £25,356,367.15 October 2017: £24,523,872.23 January 2018: £23,718,709.61 April 2018: £400,183,928.82
(c)	Relevant Accumulation Amounts:	Not Applicable	Not Applicable	Not Applicable
54.	Details relating to Pass-Through Loan Tranches:	Not Applicable	Not Applicable	Not Applicable
55.	Final Repayment Date:	The Funding 1 Interest Payment Date falling in January 2016	The Funding 1 Interest Payment Date falling in October 2054	The Funding 1 Interest Payment Date falling in October 2054
56.	Loan Tranche Payment Dates:	Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date	Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter	Each Funding 1 Interest Payment Date corresponding to a Scheduled Repayment Date and, following the occurrence of the Step-Up Date, each Funding 1 Interest Payment Date thereafter
PROVISIONS RELATING TO NON-ISE LISTED NOTES (INCLUDING FOREIGN LAW NOTES) ONLY				
57.	Governing law:	Not Applicable	Not Applicable	Not Applicable
58.	Form of notes:	Not Applicable	Not Applicable	Not Applicable
59.	Clearing of notes:	Not Applicable	Not Applicable	Not Applicable
60.	Paying agent:	Not Applicable	Not Applicable	Not Applicable
61.	Other terms and conditions:	Not Applicable	Not Applicable	Not Applicable

CURRENCY PRESENTATION

Unless otherwise stated in these final terms, all conversions of pounds sterling into U.S. dollars have been made at the rate of £1.00 = \$1.5070 which was the closing buying rate in the City of New York for cable transfers in U.S. dollars per £1.00 as certified for customs purposes by the Federal Reserve Bank of New York on 10 March 2015. Use of this rate does not mean that pound sterling amounts actually represent those U.S. dollar amounts or could be converted into U.S. dollars at that rate at any particular time.

Sterling/USD exchange rate history

	Period ending 10 March 2015	Years ended 31 December				
		2014	2013	2012	2011	2010
Last ⁽¹⁾	1.5070	1.5577	1.6557	1.6255	1.5543	1.5612
Average ⁽²⁾	1.5231	1.6476	1.5649	1.5852	1.6041	1.5458
High.....	1.5528	1.7166	1.6557	1.6279	1.6707	1.6362
Low	1.4989	1.5517	1.4867	1.5318	1.5343	1.4334

Notes:

- (1) The closing exchange rate on the last operating business day of each of the periods indicated, years commencing from 1 January or the next operating business day.
- (2) Average daily exchange rate during the period.

Source: Bloomberg – Close of Business Mid Price

FUNDING 1 START-UP LOAN

The Funding 1 start-up loan to be made available to Funding 1 on the closing date in connection with series 2015-1 will have the following terms:

Funding 1 start-up loan provider:	Santander UK
Initial outstanding principal balance:	£3,463,000
Interest rate:	Three-Month Sterling LIBOR + 0.90% per annum

The Funding 1 start-up loans made available to Funding 1 on the previous closing dates had the following terms:

Funding 1 start-up loan provider	Initial outstanding principal balance	Current outstanding principal balance	Interest rate	Date of advance	Relevant series of notes
Santander UK	£3,353,000	£283,203.51	Three-Month Sterling LIBOR + 0.90% per annum	16 June 2014	2014-1
Santander UK	£46,043,701	£2,976,008.18	Three-Month Sterling LIBOR + 0.90% per annum	23 May 2012	2012-1
Santander UK	£4,288,000	£255,839.38	Three-Month Sterling LIBOR + 0.90% per annum	6 December 2011	2011-2
Santander UK	£14,225,000	£812,250.25	Three-Month Sterling LIBOR + 0.90% per annum	25 May 2011	2011-1
Santander UK	£430,800,000	£23,926,683.04	Three-Month Sterling LIBOR + 0.90% per annum	9 September 2010	2010-4
Santander UK	£89,000,000	£4,301,088.14	Three-Month Sterling LIBOR + 0.90% per annum	27 July 2010	2010-3
Santander UK	£63,000,000	£2,331,958.86	Three-Month Sterling LIBOR + 0.90% per annum	3 June 2010	2010-2
Originally Alliance & Leicester (now Santander UK)	£9,500,000	£156,218.40	Three-Month Sterling LIBOR + 0.90% per annum	12 March 2010	2010-1
Originally Alliance & Leicester (now Santander UK)	£4,400,000	£12,480.60	Three-Month Sterling LIBOR + 0.90% per annum	20 August 2008	2008-1
Originally Alliance & Leicester (now Santander UK)	£45,976,000	£88,979.28	Three-Month Sterling LIBOR + 0.90% per annum	1 August 2007	2007-1
Originally Alliance & Leicester (now Santander UK)	£53,242,500	£74,874.15	Three-Month Sterling LIBOR + 0.90% per annum	28 November 2006	2006-1

Other series issued

As of the closing date, the aggregate principal amount outstanding of notes issued by the issuer (converted, where applicable, into sterling at the applicable specified currency exchange rate), including the notes described herein, will be:

Class A Notes	£6,530,599,128
Class B Notes	£231,377,471
Class M Notes	-
Class C Notes	-
Class D Notes	-
Class Z Notes	£1,483,965,000
Total	£8,245,941,599

Other loan tranches

As of the closing date, the aggregate outstanding principal balance of loan tranches advanced by the issuer to Funding 1 under the intercompany loan agreement, including the loan tranches described herein will be:

AAA.....	£6,530,599,128
AA.....	£231,377,471
A.....	-
BBB.....	-
BB.....	-
NR.....	£1,483,965,000
Total.....	£8,245,941,599

MORTGAGES TRUST AND THE PORTFOLIO

As at the closing date the minimum seller share will be approximately £688,733,720.

For the purposes of paragraph (d) of the definition of **non-asset trigger event**, the aggregate outstanding balance of loans comprising the trust property must be at least £0. See “**The mortgages trust – Cash management of trust property – Principal receipts**” in the base prospectus.

MORTGAGE SALE AGREEMENT

The **Fitch conditions** for the purposes of the mortgage sale agreement are:

- original weighted average LTV margin: 3.00%.
- current weighted average LTV margin: 2.00%.
- current weighted average income multiple threshold: 0.50%.
- original LTV margin: 0.50%.

The **minimum yield** for the purposes of the mortgage sale agreement is: LIBOR for 3 month sterling deposits plus 1.00%.

The definition of 'Y' within the definition of **rating agency excess spread** is: LIBOR for 3 month sterling deposits plus 1.00%.

FUNDING 1 SWAPS

Total Interim exchange amounts

The **total interim exchange amount** payable in respect of (all of) the Funding 1 swap(s) on the closing date is £559,000. Funding 1 shall pay the total interim exchange amount to the Funding 1 swap provider on the closing date (such payment funded via the 2015-1 start-up loan), and the Funding 1 swap provider shall pay an amount equal to such total interim exchange amount back to Funding 1 on the immediately following Funding 1 interest payment date.

The interim exchange amount applicable to each Funding 1 swap shall be the proportion of the total interim exchange amount applicable to that Funding 1 swap, as calculated in accordance with the relevant Funding 1 swap agreement.

The purpose of these arrangements is to fund the mismatch in days between the closing date and the first Funding 1 interest payment date on the one hand and the closing date and the first distribution date on the other hand.

Spread (receive-leg) under the Funding 1 swaps

The terms of the Funding 1 swap(s) allow Funding 1 and the Funding 1 swap provider(s) to adjust from time to time the spread over LIBOR which the relevant Funding 1 swap provider pays to Funding 1 in order to reflect movements in market interest rates and interest rates being charged on the loans subject to the relevant Funding 1 swap(s). The relevant spreads under the Funding 1 swap(s) as at the closing date are:

Funding 1 swap (SVR) 1.....	2.95%
Funding 1 swap (SVR) 2.....	2.95%
Funding 1 swap (SVR) 3.....	2.95%
Funding 1 swap (SVR) 4.....	2.95%
Funding 1 swap (SVR) 5.....	2.95%
Funding 1 swap (BBR) 1.....	1.00%
Funding 1 swap (BBR) 2.....	1.00%
Funding 1 swap (BBR) 3.....	1.00%
Funding 1 swap (BBR) 4.....	1.00%
Funding 1 swap (BBR) 5.....	1.00%
Funding 1 swap (Fixed) 1	1.25%
Funding 1 swap (Fixed) 2	1.25%
Funding 1 swap (Fixed) 3	1.25%
Funding 1 swap (Fixed) 4	1.25%
Funding 1 swap (Fixed) 5	1.25%

Post-perfection SVR-LIBOR margin

The **post-perfection SVR-LIBOR margin** for the purposes of the servicing agreement is: 2.95%

USE OF PROCEEDS

The gross proceeds from the issue of the series 2015-1 notes equal approximately £1,042,556,799 (after exchanging, where applicable, the proceeds of the notes for sterling, calculated by reference to the applicable specified currency exchange rate) and will be used by the issuer to make available loan tranches to Funding 1 pursuant to the terms of the intercompany loan agreement. Funding 1 will use the gross proceeds of each loan tranche to make a further contribution to the mortgages trustee.

MATURITY AND PREPAYMENT CONSIDERATIONS

The average lives of each class of the series 2015-1 notes cannot be stated, as the actual rate of repayment of the loans and redemption of the mortgages and a number of other relevant factors are unknown. However, calculations of the possible average lives of each class of the series 2015-1 notes can be made based on certain assumptions. For example, based on the assumptions that:

- (1) neither the issuer security nor the Funding 1 security has been enforced;
- (2) each class of series 2015-1 notes is repaid in full by its final maturity date;
- (3) the seller is not in breach of the terms of the mortgage sale agreement;
- (4) the seller does not sell any loans to the mortgages trustee after the closing date (except to the extent set out in assumption (5) below) and the loans are assumed to amortise in accordance with the assumed principal prepayment rate as indicated in the table below;
- (5) the seller sells to the mortgages trustee sufficient new loans and their related security, such that the aggregate principal amount outstanding of the loans in the portfolio will not fall below an amount equal to 1.15 times the Funding 1 share, or such higher amount as may be required to be maintained as a result of the issuer advancing loan tranches to Funding 1 and/or any new issuer advancing new loan tranches to Funding 1 or any further Funding company (as the case may be) which Funding 1 and/or any further Funding company (as the case may be) uses as consideration for an increase in its share of the trust property or for the sale of new loans to the mortgages trustee;
- (6) new loans sold to the mortgages trustee will have the same scheduled principal repayment profile as the portfolio of 31 December 2014;
- (7) neither an asset trigger event nor a non-asset trigger event occurs;
- (8) no event occurs that would cause payments on any class of series 2015-1 notes to be deferred;
- (9) the principal prepayment rate as at the cut-off date for the provisional portfolio is the same as the various assumed rates in the table below;
- (10) the issuer exercises its option to redeem each series of notes on the step-up date relating to such notes;
- (11) the closing date is 24 March 2015;
- (12) the mortgage loans are not subject to any defaults or losses, and no mortgage loan falls into arrears;
- (13) no interest or fees are paid from principal receipts;
- (14) the long-term, unsecured, unsubordinated and unguaranteed debt obligations of the seller continue to be rated at least "A2" by Moody's and "A" by Standard & Poor's and the long-term IDR of the seller continues to be at least "A" by Fitch; and
- (15) the principal ledger balance at close is assumed to be the cash accumulated after the distribution date on 6 March 2015, equal to £398,211,534.73.

the approximate average life in years of each class of the series 2015-1 notes, at various principal prepayment rates would be as follows:

Estimated average lives of each class of series 2015-1 notes (in years)

Principal prepayment rate (per annum)	Series 2015-1 class A1 notes	Series 2015-1 class A2 notes	Series 2015-1 class A3 notes
5 per cent.	0.70	1.96	2.94
10 per cent.	0.70	1.96	2.94
15 per cent.	0.70	1.96	2.94
20 per cent.	0.70	1.96	2.94
25 per cent.	0.70	1.96	2.94
30 per cent.	0.70	1.96	2.94
35 per cent.	0.70	1.96	2.94

Assumptions (1), (3), (4), (5), (6), (7), (11), (12), (13), (14) and (15) relate to circumstances which are not predictable. Assumptions (2), (8), (9) and (10) reflect the issuer's current expectations, although no assurance can be given that the issuer will be in a position to redeem the notes on the step-up date. If the issuer does not so exercise its option to redeem, then the average lives of the then outstanding notes would be extended.

The average lives of the notes are subject to factors largely outside the control of the issuer and consequently no assurance can be given that these assumptions and estimates will prove in any way to be realistic and they must therefore be viewed with considerable caution. For more information in relation to the risks involved in the use of these estimated average lives, see **“Risk factors – The yield to maturity of your notes may be adversely affected by prepayments or redemptions on the loans”** in the base prospectus.

STATISTICAL INFORMATION ON THE EXPECTED PORTFOLIO

The statistical and other information contained in these final terms has been compiled by reference to the loans expected to comprise in the portfolio (the **expected portfolio**) as at 31 December 2014 (the **cut-off date**). Columns stating percentage amounts may not add up to 100 per cent. due to rounding. Except as otherwise indicated, these tables have been prepared using the current balance as at the cut-off date, which includes all principal and excludes accrued interest for the loans in the expected portfolio.

A loan will be removed from any additional portfolio if, in the period up to (and including) the sale date related to such additional portfolio, the loan is repaid in full or if the loan does not comply with the terms of the mortgage sale agreement on or about the closing date.

The expected portfolio as at the cut-off date consisted of 145,277 mortgage accounts, comprising mortgage loans originated by Alliance & Leicester and/or, following the Part VII effective date, Santander UK and secured over properties located in England, Wales, Scotland and Northern Ireland, and having an aggregate outstanding principal balance of £11,193,788,318.19 as at that date. The loans in the expected portfolio at the cut-off date were originated between 1 October 1994 and 23 April 2014.

As at 26 February 2015, Alliance & Leicester's Standard Variable Rate was 4.99 per cent. and Santander UK's Standard Variable Rate was 4.74 per cent. As at the closing date:

- Funding 1's share of the trust property will be approximately £7,847,730,063.91 representing approximately 73.38 per cent. of the trust property; and
- the seller's share of the trust property will be approximately £2,846,892,915.55 representing approximately 26.62 per cent. of the trust property.

The actual amounts of the Funding 1 share of the trust property and the seller share of the trust property as at the closing date will not be determined until the day before the closing date which will be after the date of these final terms.

Outstanding balances as at the cut-off date

The following table shows the range of outstanding mortgage account balances (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date.

Range of outstanding balances as at the cut-off date £	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
<=50,000	1,437,596,435.37	12.84%	59,107	40.69%
>50,000 to <=100,000	3,347,806,469.97	29.91%	45,859	31.57%
>100,000 to <=150,000	2,923,622,252.21	26.12%	24,081	16.58%
>150,000 to <=200,000	1,607,040,600.42	14.36%	9,416	6.48%
>200,000 to <=250,000	821,032,928.15	7.33%	3,707	2.55%
>250,000 to <=300,000	374,960,979.23	3.35%	1,382	0.95%
>300,000 to <=350,000	230,300,638.40	2.06%	714	0.49%
>350,000 to <=400,000	146,892,214.49	1.31%	395	0.27%
>400,000 to <=450,000	101,833,369.98	0.91%	241	0.17%
>450,000 to <=500,000	69,905,667.68	0.62%	148	0.10%
>500,000 to <=550,000	40,535,017.02	0.36%	78	0.05%
>550,000 to <=600,000	38,418,141.84	0.34%	67	0.05%
>600,000 to <=650,000	22,941,335.33	0.20%	37	0.03%
>650,000 to <=700,000	18,032,849.27	0.16%	27	0.02%
>700,000 to <=750,000	12,869,418.83	0.11%	18	0.01%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

The maximum and average outstanding balances of the mortgage accounts as at the cut-off date were £746,260.78 and £77,051.35, respectively.

Loan-to-value ratios at origination

The following table shows the range of loan-to-value, or LTV, ratios, which express the outstanding balance of a mortgage loan as at the date of the original initial mortgage loan origination divided by the value of the property securing that mortgage loan at the same date.

Range of LTV ratios at origination	Aggregate outstanding balance at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
<=25%.....	257,679,067.63	2.30%	8,986	6.19%
>25% to <=50%	1,618,480,201.64	14.46%	33,188	22.84%
>50% to <=75%	4,130,948,234.01	36.90%	50,731	34.92%
>75% to <=80%	865,688,645.85	7.73%	9,058	6.23%
>80% to <=85%	1,380,229,269.80	12.33%	13,165	9.06%
>85% to <=90%	1,965,779,387.81	17.56%	19,024	13.09%
>90% to <=95%	974,983,511.45	8.71%	11,125	7.66%
>95% to <=100%	0.00	0.00%	0	0.00%
>100%.....	0.00	0.00%	0	0.00%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

As at the cut-off date, the weighted average LTV at origination was 70.52 per cent.

Cut-off date LTV ratios

The following table shows the range of LTV ratios, which express the outstanding balance of the aggregate of loans in a mortgage account (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date divided by the value of the property securing the loans in that mortgage account as at the date of the initial loan origination or the most recent valuation thereof. When granting a further advance, the seller may obtain a new valuation, and may in some circumstances, where the relevant loan meets certain criteria, apply movements in the Halifax House Price Index for the relevant region, between the date of the most standard valuation held on file and the date of the further advance application, to the most recent standard valuation to produce an updated indexed valuation. No revaluation of the property securing the loans has been done for the purposes of the issuance of the notes by the issuer.

Range of LTV ratios at the cut-off date	Aggregate outstanding balance at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
<=25%.....	944,556,088.94	8.44%	39,628	27.28%
>25% to <=50%	2,869,841,474.57	25.64%	42,307	29.12%
>50% to <=75%	4,297,289,287.93	38.39%	40,391	27.80%
>75% to <=80%	887,975,500.91	7.93%	7,068	4.87%
>80% to <=85%	776,246,400.08	6.93%	5,690	3.92%
>85% to <=90%	747,187,764.31	6.68%	5,281	3.64%
>90% to <=95%	389,662,932.29	3.48%	2,830	1.95%
>95% to <=100%	263,720,758.97	2.36%	1,972	1.36%
>100%.....	17,308,110.19	0.15%	110	0.08%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

The weighted average LTV ratio of the mortgage accounts (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) at the cut-off date was 58.85 per cent.

Cut-off date indexed LTV ratios

The following table shows the range of LTV ratios, which express the outstanding balance of the aggregate of loans in a mortgage account (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) as at the cut-off date divided by the most recent indexed valuation of the property securing the loans in that mortgage account.

Range of LTV ratios as at the cut-off date	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
<=25%.....	1,407,075,800.01	12.57%	48,929	33.68%
>25% to <=50%	3,315,989,455.63	29.62%	42,219	29.06%
>50% to <=75%	3,922,449,853.14	35.04%	33,906	23.34%
>75% to <=80%	650,274,282.70	5.81%	5,164	3.55%
>80% to <=85%	533,235,159.81	4.76%	4,277	2.94%

>85% to <=90%	369,908,595.48	3.30%	3,080	2.12%
>90% to <=95%	325,827,669.41	2.91%	2,577	1.77%
>95% to <=100%	231,743,088.15	2.07%	1,867	1.29%
>100%.....	437,284,413.86	3.91%	3,258	2.24%
Totals	<u>11,193,788,318.19</u>	<u>100.00%</u>	<u>145,277</u>	<u>100.00%</u>

The weighted average LTV ratio as at the cut-off date of the mortgage accounts (including capitalised interest, capitalised high LTV fees, insurance fees, booking fees and valuation fees) was 56.02 per cent.

Geographical distribution

The following table shows the distribution of properties securing the loans throughout England, Wales, Scotland and Northern Ireland as at the cut-off date. No such properties are situated outside England, Wales, Scotland and Northern Ireland.

Regions	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
East Anglia.....	364,210,791.33	3.25%	5,037	3.47%
East Midlands	799,385,837.77	7.14%	12,349	8.50%
Greater London.....	854,156,749.61	7.63%	6,123	4.21%
Northern Ireland.....	928,367,974.18	8.29%	13,669	9.41%
Northern England.....	437,306,238.46	3.91%	6,579	4.53%
North West.....	1,063,038,861.11	9.50%	15,232	10.48%
Scotland.....	1,088,727,093.79	9.73%	18,566	12.78%
South East	2,741,594,753.15	24.49%	26,659	18.35%
South West	869,919,034.02	7.77%	10,857	7.47%
Wales.....	458,605,048.79	4.10%	7,129	4.91%
West Midlands	765,357,359.83	6.84%	10,486	7.22%
Yorkshire & Humberside.....	823,118,576.15	7.35%	12,591	8.67%
Totals	<u>11,193,788,318.19</u>	<u>100.00%</u>	<u>145,277</u>	<u>100.00%</u>

House prices vary throughout England, Scotland, Wales and Northern Ireland. The table below summarises the average house price in 2013 and the average household income in 2013 for each region in order to produce a house price to earnings ratio for each region. The issuer confirms that the information in the table below has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the Office for National Statistics, no facts have been omitted which would render the reproduced information inaccurate or misleading. Note, however, that the issuer has not participated in the preparation of the information set out in the table below nor made any enquiry with respect to such information. Neither the issuer nor the Office for National Statistics makes any representation as to the accuracy of the information or has any liability whatsoever to you in connection with such information. Anyone relying on the information does so at their own risk.

Regions	Average Price (£)	Average earnings (£ per annum)	Price/earnings ratio
East Anglia.....	258,000	58,000	4.43
East Midlands	178,000	46,000	3.85
Greater London.....	428,000	88,000	4.83
Northern Ireland.....	136,000	42,000	3.20
North East.....	154,000	45,000	3.45
North West.....	175,000	48,000	3.62
Scotland.....	181,000	52,000	3.51
South East	305,000	65,000	4.69
South West	230,000	51,000	4.48
Wales.....	169,000	45,000	3.71
West Midlands	191,000	48,000	3.98
Yorkshire & Humberside.....	172,000	46,000	3.71

Source: Department for Communities and Local Government
Office for National Statistics

Seasoning of loans

The following table shows the number of months since the date of origination of the initial loan in a mortgage account.

Age of loans in months as at the cut-off date	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
>=6 to <12.....	0.00	0.00%	0	0.00%
>=12 to <18.....	0.00	0.00%	0	0.00%
>=18 to <24.....	0.00	0.00%	0	0.00%
>=24 to <30.....	13,372,402.32	0.12%	102	0.07%
>=30 to <36.....	61,407,534.12	0.55%	470	0.32%
>=36 to <42.....	64,143,363.42	0.57%	546	0.38%
>=42 to <48.....	69,037,386.07	0.62%	565	0.39%
>=48 to <54.....	389,224,505.08	3.48%	4,062	2.80%
>=54 to <60.....	418,897,770.88	3.74%	4,892	3.37%
>=60 to <66.....	374,064,814.99	3.34%	4,169	2.87%
>=66 to <72.....	230,784,655.85	2.06%	3,001	2.07%
>=72 to <78.....	194,199,938.59	1.73%	1,921	1.32%
>=78 to <84.....	441,589,296.62	3.94%	4,426	3.05%
>=84 to <90.....	1,235,419,835.17	11.04%	11,195	7.71%
>=90 to <96.....	1,196,034,619.25	10.68%	11,761	8.10%
>=96 to <102.....	1,212,891,686.55	10.84%	12,410	8.54%
>=102 to <108.....	1,311,881,418.74	11.72%	14,548	10.01%
>=108 to <114.....	1,189,105,049.73	10.62%	14,753	10.16%
>=114 to <120.....	440,186,696.05	3.93%	6,432	4.43%
>=120 to <126.....	216,919,274.16	1.94%	3,577	2.46%
>=126 to <132.....	392,531,479.88	3.51%	7,242	4.98%
>=132 to <150.....	772,382,098.24	6.90%	14,748	10.15%
>=150 to <200.....	729,438,793.04	6.52%	16,567	11.40%
>=200 to <250.....	227,552,604.86	2.03%	7,162	4.93%
>=250.....	12,723,094.58	0.11%	728	0.50%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

The minimum, maximum and weighted average seasoning of loans in mortgage accounts as at the cut-off date was 29.03, 590.79 and 103.97 months, respectively.

Years to maturity of loans

The following table shows the number of remaining years of the term of the initial loan in a mortgage account as at the cut-off date.

Years to maturity	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
0 to <5.....	727,175,760.72	6.50%	22,028	15.16%
>=5 to <10.....	1,518,438,322.76	13.57%	30,001	20.65%
>=10 to <15.....	2,616,747,517.71	23.38%	35,115	24.17%
>=15 to <20.....	3,887,141,776.25	34.73%	36,454	25.09%
>=20 to <25.....	1,456,883,471.94	13.02%	13,043	8.98%
>=25 to <30.....	689,386,440.69	6.16%	6,067	4.18%
>=30 to <35.....	288,576,269.72	2.58%	2,483	1.71%
>=35 to <40.....	9,438,758.40	0.08%	86	0.06%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

The maximum and weighted average remaining term of the loans in mortgage accounts in the expected portfolio as at the cut-off date was 37.78 and 15.41 years, respectively.

Purpose of loan

The following table shows whether the purpose of the initial loan on origination was to finance the purchase of a new property or to remortgage a property already owned by the borrower. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Use of proceeds	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings	Average balance (£)
Purchase.....	7,110,183,380.07	63.52%	95,942	47.81%	74,109.18
Remortgage (existing loan) ..	1,626,014,510.50	14.53%	31,492	15.69%	51,632.62
Remortgage (capital raising)	2,457,590,427.62	21.95%	73,229	36.49%	33,560.34
Other	-	0.00%	0	0.00%	-
Totals	11,193,788,318.19	100.00%	200,663	100.00%	55,784.02

As at the cut-off date, the average balance of loans used to finance the purchase of a new property was £74,109.18 and the average balance of loans used to remortgage a property already owned by the borrower was £38,995.09.

Property type

The following table shows the types of properties to which the mortgage accounts relate.

Property type	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
Converted Flat.....	384,457,911.97	3.43%	3,713	2.56%
Council Bungalow	1,432,245.85	0.01%	48	0.03%
Council Flat	17,586,288.58	0.16%	444	0.31%
Council House.....	83,971,240.28	0.75%	2,516	1.73%
Council Maisonette.....	2,715,088.34	0.02%	54	0.04%
Detached Bungalow	479,058,714.34	4.28%	7,254	4.99%
Detached House	2,931,580,910.28	26.19%	32,118	22.11%
Maisonette.....	178,917,878.98	1.60%	1,957	1.35%
Other Residential Property	3,336,861.24	0.03%	131	0.09%
Purpose-Built Flat.....	916,773,552.62	8.19%	11,275	7.76%
Semi-Detached Bungalow.....	182,792,539.81	1.63%	3,087	2.12%
Semi-Detached House	3,118,900,346.72	27.86%	42,993	29.59%
Sub Post Office & Living Accom...	121,534.79	0.00%	1	0.00%
Terraced Bungalow	20,626,848.77	0.18%	378	0.26%
Terraced House	2,871,516,355.62	25.65%	39,308	27.06%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

Repayment terms

The following table shows the repayment terms for the loans in the expected portfolio mortgage accounts as at the cut-off date. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Repayment terms	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
Repayment	5,849,664,036.40	52.26%	137,339	68.44%
Combination repayment and interest-only	5,341,342,570.07	47.72%	63,269	31.53%
Interest-only	2,781,711.72	0.02%	55	0.03%
Totals	11,193,788,318.19	100.00%	200,663	100.00%

Rate type

The following table shows the distribution of rate types as at the cut-off date. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Type of rate	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
Base rate loans	7,353,390,936.43	65.69%	118,877	59.24%
Discount loans	228,692.80	0.00%	15	0.01%
Fixed rate loans	129,119,843.16	1.15%	2,685	1.34%
Variable rate loans	3,711,006,239.17	33.15%	79,083	39.41%
Other	42,606.63	0.00%	3	0.00%
Totals	11,193,788,318.19	100.00%	200,663	100.00%

Fixed rate remaining terms

The following table shows the distribution of reset dates in respect of the fixed rate loans as at the cut-off date.

Years to reversion	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
=<3	117,668,879.00	91.13%	2,499	93.07%
>3 to =<5	331,104.90	0.26%	13	0.48%
>5 to =<10	1,008,740.15	0.78%	46	1.71%
>10 to =<15	3,088,833.19	2.39%	51	1.90%
>15	7,022,285.92	5.44%	76	2.83%
Totals	129,119,843.16	100.00%	2,685	100.00%

Maturities of SVR loans

The following table shows the distribution of maturities in respect of the variable rate loans as at the cut-off date.

Years to maturity	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
=<3	134,485,401.14	3.62%	8,427	10.65%
>3 to =<5	126,730,991.41	3.41%	6,421	8.12%
>5 to =<10	470,357,231.98	12.67%	18,033	22.80%
>10 to =<15	733,410,942.16	19.76%	18,072	22.85%
>15	2,246,250,365.28	60.53%	28,145	35.58%
Totals	3,711,234,931.97	100.00%	79,098	100.00%

Tracker loans remaining terms

The following table shows the distribution of reset dates in respect of the tracker rate loans as at the cut-off date.

Years to maturity	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
=<3	300,032,287.03	4.08%	10,409	8.76%
>3 to =<5	253,520,852.62	3.45%	8,066	6.79%
>5 to =<10	1,084,032,558.58	14.74%	26,359	22.17%
>10 to =<15	1,868,360,973.17	25.41%	31,559	26.55%
>15	3,847,444,265.03	52.32%	42,484	35.74%
Totals	7,353,390,936.43	100.00%	118,877	100.00%

Payment methods

The following table shows the payment methods for the mortgage accounts as at the cut-off date.

Payment method	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
Direct debit.....	11,097,327,004.42	99.14%	143,373	98.69%
Cheque/Cash.....	96,461,313.77	0.86%	1,904	1.31%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

Distribution of fixed rate loans

As at the cut-off date, approximately 1.15 per cent. of the loans in the expected portfolio were fixed rate loans. The following tables show the distribution of fixed rate loans by their fixed rate of interest as at such date, and the year in which the loans cease to bear a fixed rate of interest and instead bear a floating rate of interest. The figures in these tables have been calculated on the basis of loan product holdings rather than mortgage accounts. A mortgage account may have more than one active loan product.

Fixed rate loans remain at the relevant fixed rate for a period of time as specified in the offer conditions, after which they move to a variable rate or some other rate as specified in the offer conditions.

Fixed rate	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of product holdings	% of total product holdings
=<4%.....	3,623,019.12	2.81%	52	1.94%
>4% to =<5%	97,954,752.83	75.86%	2,206	82.16%
>5% to =<6%	27,542,071.21	21.33%	427	15.90%
>6% to =<7%	-	0.00%	0	0.00%
>7% to =<8%	-	0.00%	0	0.00%
Totals	129,119,843.16	100.00%	2,685	100.00%

Year, month in which current fixed rate period ends	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of fixed rate product holdings	% of total fixed rate product holdings
February 2015	8,524,428.90	6.60%	134	4.99%
March 2015.....	11,876,162.91	9.20%	189	7.04%
April 2015.....	13,668,629.06	10.59%	264	9.83%
May 2015	17,567,307.26	13.61%	321	11.96%
June 2015	11,980,785.48	9.28%	222	8.27%
July 2015	8,126,512.43	6.29%	184	6.85%
August 2015.....	4,986,428.25	3.86%	128	4.77%
September 2015	5,705,597.24	4.42%	155	5.77%
October 2015.....	4,276,622.10	3.31%	123	4.58%
November 2015	1,773,915.62	1.37%	54	2.01%
December 2015	2,474,909.63	1.92%	86	3.20%
January 2016	3,866,767.18	2.99%	102	3.80%
February 2016	946,466.04	0.73%	17	0.63%
March 2016.....	1,924,745.88	1.49%	51	1.90%
April 2016.....	8,830,038.86	6.84%	202	7.52%
May 2016	3,102,898.26	2.40%	65	2.42%
June 2016	2,377,575.72	1.84%	26	0.97%
July 2016	977,824.33	0.76%	24	0.89%
August 2016.....	2,472,515.23	1.91%	74	2.76%
September 2016	1,752,670.13	1.36%	59	2.20%
Fixed for life	11,907,042.65	9.22%	205	7.64%
Totals	129,119,843.16	100.00%	2,685	100.00%

Employment status

The following table shows the employment status of the borrowers of the loans in the expected portfolio as at the cut-off date.

Status	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
Employed	10,124,563,579.75	90.45%	133,547	91.93%
Self employed	1,069,224,738.44	9.55%	11,730	8.07%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

First time buyer

The following table shows the split between the borrowers of the loans in the expected portfolio who are first time buyers and non-first time buyers as at the cut-off date.

Status	Aggregate outstanding balance as at the cut-off date (£)	% of total balance	Number of mortgage accounts	% of total mortgage accounts
First time buyer	2,242,882,149.75	20.04%	24,603	16.94%
Non-first time buyer	8,950,906,168.44	79.96%	120,674	83.06%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

Payment rate analysis

The following table shows the annualised payment rate for the most recent one-, three- and 12-month period for the loans in the expected portfolio between January 2014 and December 2014.

As of month-end	one-month annualised	three-month annualised	12-month annualised
December 2014	19.51%	22.04%	23.37%

Source: Fosse investor report dated 31 December 2014.

In the table above, 12-month annualised CPR is calculated as the average of the 1-month annualised CPR for the most recent 12 months (1-month annualised CPR calculated as $1 - ((1 - R) ^ 12)$ where R is (i) total principal receipts received plus the principal balance of loans repurchased by the seller (primarily due to further advances) during the relevant period, divided by (ii) the aggregate outstanding principal balance of the loans in the expected portfolio as at the start of that period).

Delinquency and loss experience of the portfolio

As at the cut-off date, the total outstanding balance of loans in the expected portfolio that were greater than 30 days in arrears was £115,192,354.80, representing approximately 1.03 per cent. of the outstanding balance of loans in the expected portfolio as at such date.

Arrears

Status	Aggregate outstanding balance as at the cut-off date (£)	% Arrears by Balance	Number of mortgage accounts	% Arrears by Number
Less than or equal to 1 month	11,078,595,963.39	98.97%	144,118	99.20%
1< to <=3.....	49,882,001.39	0.45%	512	0.35%
3< to <=6.....	27,000,559.12	0.24%	279	0.19%
6< to <=9.....	12,672,673.56	0.11%	124	0.09%
9< to <=12.....	9,356,346.34	0.08%	87	0.06%
12<.....	16,280,774.39	0.15%	157	0.11%
Totals	11,193,788,318.19	100.00%	145,277	100.00%

CHARACTERISTICS OF THE UNITED KINGDOM RESIDENTIAL MORTGAGE MARKET

Set out in the following tables are certain characteristics of the United Kingdom mortgage market.

Industry CPR rates

In the following tables, quarterly industry constant repayment rate (**industry CPR**) data was calculated by dividing the amount of scheduled and unscheduled repayments of mortgages made by monetary and financial institutions (banks and building societies) (**MFIs**) in a quarter by the quarterly balance of mortgages outstanding for MFIs in the United Kingdom. These quarterly repayment rates were then annualised using standard methodology.

Quarter	Industry CPR rate for the quarter (%)	4 quarter Rolling Average (%)
September 2014	14.63%	13.95%
December 2014	13.75%	13.78%

Source: The Bank of England.

House price index

UK residential property prices, as measured by the Nationwide House Price Index and Halifax House Price Index (collectively, the **Housing Indices**), have generally followed the UK Retail Price Index over an extended period. Nationwide is a UK building society and Halifax is a trading name of Bank of Scotland plc, a UK bank who publishes the Halifax House Price Index.

Time in Quarters	UK Retail Price Index		Nationwide House Price Index		Halifax House Price Index	
	Index	% annual change	Index	% annual change	Index	% annual change
September 2014	256.90	2.36	376.65	9.96	607.58	9.20
December 2014	257.40	1.92	377.03	8.01	602.85	7.46

Source: HBOS plc and Nationwide Building Society.

Source: Office for National Statistics.

Notes:

The percentage annual change in the table above is calculated in accordance with the following formula:

$LN(x/y)$ where x is equal to the current quarter's index value and y is equal to the index value of the previous year's corresponding quarter.

The issuer confirms that all of the information contained in the tables above in this section entitled "**Characteristics of the United Kingdom Residential Mortgage Market**" has been accurately reproduced (and their respective sources have been accurately cited) and so far as the issuer is aware and is able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

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ARREARS EXPERIENCE

The following table summarises loans in arrears and repossession experience for loans in the portfolio as at the dates indicated below. All of the loans shown in the table below were originated by Alliance & Leicester or Santander UK and the loans shown in the table below were serviced by Alliance & Leicester prior to the Part VII effective date and, since the Part VII effective date, by Santander UK. As at the date of these final terms, Santander UK services all of the loans in the portfolio.

This table should be read together with the tables set forth under “**Arrears Experience**” in the base prospectus.

	<u>31 Dec 2014</u>
Outstanding Balance (£ millions)..	11,195
Number of loans outstanding (thousands).....	145.287
Outstanding balance of loans in arrears (£ millions)	
30-59 days in arrears.....	97.88
60-89 days in arrears.....	24.15
90-179 days in arrears.....	36.07
180-365 days in arrears.....	24.33
366 or more days in arrears	15.26
Total outstanding balance of loans in arrears.....	<u>197.69</u>
Total outstanding balance of loans in arrears as % of the outstanding balance	<u>1.77%</u>
Outstanding balance of loans relating to properties in possession.....	<u>4.56</u>
Net loss on sales of all repossessed properties(1).....	<u>3.569</u>
Ratio of aggregate net losses to average aggregate outstanding balance of loans(2)	<u>0.032%</u>
Average net loss on all properties sold (thousands)	<u>30.25</u>
Number of loans outstanding in arrears (thousands)	
30-59 days in arrears.....	1.02
60-89 days in arrears.....	0.24
90-179 days in arrears.....	0.37
180-365 days in arrears.....	0.24
366 or more days in arrears	0.15
Total number of loans outstanding in arrears.....	<u>2.01</u>
Total number of loans outstanding in arrears as % of the number of loans outstanding	<u>1.38%</u>
Number of properties in possession.....	<u>39</u>
Number of properties sold during the year.....	<u>118</u>

(1) Net loss is net of recoveries in the current period on properties sold in prior periods.

(2) Average of opening and closing balances for the period.

STATIC POOL DATA

The tables below set out static pool information with respect to all the mortgage loans on the Alliance & Leicester system in 2014.

This table should be read together with the tables set forth under “**Static Pool Data**” in the base prospectus.

Static pool information on prepayments has not been included because changes in prepayment and payment rates historically have not affected repayment of the notes, and are not anticipated to have a significant effect on future payments on the notes for a number of reasons. The mechanics of the mortgage trust require an extended cash accumulation period (for bullet term advances) when prepayment rates fall below certain minima required by the rating agencies, serving to limit the extent to which slow prepayments would cause the average lives of the notes to extend. Furthermore, only a limited amount of note principal in relation to the very large mortgages trust size is actually due to be repaid on any particular interest payment date.

Origination Characteristics by Year

	<u>2014</u>
Number of accounts opened	3
Aggregate original balance (£)	499,610
Average original balance (£)	166,537
Weighted average original loan-to-value ratio	88.3%
Weighted average original term (years).....	29.7


(1) Data are based on all business written in 2014.

(2) Weighted averages are weighed by the original balance.

Listing and admission to trading application

These final terms comprise the final terms required for the notes described herein to be admitted to the Official List and admitted to trading on the Main Securities Market pursuant to the residential mortgage backed note programme of Fosse Master Issuer plc.

Signed on behalf of the issuer:

By:  per pro SFM Directors Limited
Duly authorised as Director